

**MINUTES OF THE SPECIAL MEETING OF THE TRINIDAD CITY COUNCIL**  
**WEDNESDAY, JUNE 27, 2018**

**I. CALL TO ORDER**

Mayor Rotwein called the meeting to order at 6:00 pm. Council members in attendance: West, Ladwig, Rotwein, Baker. **Miller – Absent.** City Staff in attendance: City Manager Dan Berman, City Clerk Gabriel Adams.

**II. PLEDGE OF ALLEGIANCE**

**III. CLOSED SESSION – No closed session.**

**IV. APPROVAL OF AGENDA**

*Motion (Ladwig/Baker) to approve the agenda as written. Passed 4-0.*

**V. APPROVAL OF MINUTES – 05-09-18 cc, 05-29-18 scc**

*Motion (West/Ladwig) to approve minutes as corrected. Passed 4-0.*

**VI. ITEMS FROM THE FLOOR**

*(Three (3) minute limit per Speaker unless Council approves request for extended time.)*

**Kathleen Lake – Trinidad**

**Submitted a written complaint/statement** regarding an incident that occurred at a recent Planning Commission meeting that involved Commissioner Mike Morgan and a self-defense/taser device. Intimidation and bullying is unacceptable behavior and must not be tolerated.

**Pat Morales – Trinidad**

I support Kathleen Lake's statement. Mr. Morgan has a reputation for harassment. I experienced it first-hand while he was on the Council many years ago. The Council should investigate the complaint.

**Tom Davies – Trinidad**

The Planning Commission should not spot-zone the 4-plex on Parker Street, and should not allow there to be 4 STR's onsite. I also do not support the 20-minute parking limit on the bluff. It will push parking onto the interior streets. These issues benefit very few people, and the City should not do favors like this.

**Brett Gregory – Trinidad**

Vice-Chair of the Planning Commission. I do not support the 20-minute parking limit. It will be a waste of public resources to have to enforce this.

**Councilmember Baker** asked that the Staff Reports section should be included on every agenda. The Council agreed. He also asked to see City Manager Berman first thing in the morning regarding the complaint referenced tonight.

**VII. CONSENT AGENDA – No consent items.**

**XI. DISCUSSION/ACTION AGENDA ITEMS**

**1. Discussion/Decision regarding Resolution 2018-08: Adopting the FY 2018-2019 Budget.**

City Manager Berman explained that the proposed FY 2019 City of Trinidad budget is submitted to the Council for review tonight. The budget has been discussed at four prior Council meetings this spring.

A brief summary of City Program Areas is included below.

**General Fund Administration (2.1 FTE)**

This budget unit funds pro-rated employee salaries, liability, property and casualty insurance, contracted planner, building official, attorney, financial contractor, bookkeeper, auditor, lease of city annex and library, utility costs, distribution of transient occupancy taxes (TOT), and office supplies. This budget includes a new full time administrative assistant position that is currently being advertised.

Planner activities are budgeted as follows\*

- General Plan/LCP \$ 22,000

• STR Ordinance	3,000
• Planning Commission	8,000
• Permits (offset by revenue)	net zero
• City Projects	4,000
• Miscellaneous, general planning	14,000
• OWTS Permits ( <u>offset by OWTS fees</u> )	
	\$51,000

Attorney costs are estimated at \$20,000, which includes \$10,000 toward defense of litigation.  
 Building Official \$7,000 plus reimbursable permit process fees.  
 Distribution of a portion of TOT receipts (~\$15,000)

**General Fund Law Enforcement (.1 FTE - counting City staff time only)**

\$75,000 in Measure Z funds will be used to maintain 1.5 full time Deputy Sheriffs. This provides an assigned deputy working a 10 hour shift six days a week. \$105,000 is anticipated to be funded by Community Oriented Policing Services (COPS) revenue.

**General Fund Fire**

The Fire budget includes \$5,000 to start replacing outdated SCBA (Breathing Apparatus) equipment.

**General Fund Public Works (1.9 FTE)**

Budget includes pro-rated staffing costs, town hall, annex and library supplies, street paint, signs, trail and park maintenance. Specific Projects include:

Town Hall Maintenance work	\$15,000
OWTS Permitting	(costs are in staff time)
Trail Maintenance	\$3,500
Contracting for Grounds Maintenance	\$20,000

Completing Implementation of the OWTS Permit system across the City is a priority project this year. Staff are utilizing CalFire crews for trail maintenance and working to develop a contract with HCAR (Humboldt Community Access and Resource Center) for some grounds-keeping work.

**Integrated Waste Management (.28 FTE)**

This Budget includes pro-rated staffing costs, franchise revenue and AB939 pass through from Humboldt Waste Management Authority.

Revenue:	\$ 16,700
Expenditures:	\$ 22,944
Difference (from fund balance)	\$ (6,244)

The expected deficit of \$6,244 can be absorbed from the remaining IWM fund balance of ~\$9,000. The auditor recommends incorporating this program into the General Fund once the fund balance is depleted.

**Cemetery (.35FTE)**

Budget includes pro-rated staffing costs and plot sales.

Revenues:	\$ 6,200
Expenditures:	\$ 24,343
Difference (from reserve)	\$ 18,143

Cash assets in this fund are approximately \$90,000, and will cover this deficit. The cemetery fund is steadily declining. The auditor recommends that the City plan for the General Fund to absorb cemetery maintenance costs in the long run.

**Water Fund (2.1 FTE)**

The City's Water Enterprise Fund is doing well. We have completed major improvements to the Water Treatment Plant in recent years. This budget includes setting \$20,000 aside for reserves and budgeting for water line repairs. Water line replacement work is planned for East St., to be done concurrently with storm water grant work in summer 2018.

**Looking Ahead - Budget Planning for future years:** The City faces General Fund budget challenges in the coming years, due to both anticipated losses of revenue (cell tower, Harbor area revenue, TOT reductions) and increasing expenses (staffing to accomplish increasing administrative duties, rising personnel costs, capital maintenance and replacement for our streets and buildings). The City is well positioned in having healthy reserve funds, but should not put off planning for what could become structural deficits going forward.

Staff recommends the City Council discuss and address longer-term budget challenges on a recurring (quarterly?) basis over the coming year. Possibilities to reduce expenses and increase revenue should be evaluated and prioritized.

Council questions included:

**Rotwein:** Concerned about decreasing future revenue projections, and requested information regarding various sources such as franchise fees, harbor lease, business licenses, sales tax, occupancy tax, interest income, and updating the fee schedule. The auditor recommended folding the cemetery into the general fund, and the City needs to relieve the general fund from funding the Grant Administrator position.

Public comment included:

**Tom Davies – Trinidad**

Questions about police services. Regarding the Administrative Support position, it is not responsible to hire for a position that you may not be able to afford in future years.

**Kathleen Lake – Trinidad**

1) Concerned about payroll allocations and would like to see how each position is funded. 2) A fee analysis must be done. 3) Grant Administrator position should be fully supported by grants. I'm very concerned about transparency and how this budget has been presented. If the policy and procedures manual include a merit-based pay scale, then why are we talking about a COLA increase? The policy ensures employees are treated fairly. Future budgets should show salary steps. The Council should be careful hiring for a position that may not be sustainable in the future.

**Dorothy Cox – Trinidad**

How have last year's Council approved raises been implemented?

Council comments included:

**Ladwig:** Grants don't always cover 100% of salaries, and that can't be expected. There's a big difference between a grant writer and a grant administrator. I'm in favor of COLA increase this year, but I'd rather see merit increases that will make up for the unimplemented increases from last year. Based on the information presented tonight, it's clear that the City can afford it and I can support the budget as submitted. If we continue the discussion, at the next meeting we should focus on the issues we ask the City Manager to review, and focus on being financially responsible.

**Baker:** It would be useful to see the salary allocation for each employee. The information should be presented in a way that's easy to understand to both the Council and public. I'm not seeing what I need to see to make an informed decision. Budgets change quickly. I'm concerned about the COLA salary increase. It is important to retain good employees.

**West:** I agree with Baker. At the last meeting I requested a presentation that explains why the Grant Administrator position is so important to the City. Maybe we should hire someone to explain how this works. Why did some people get raises last year and other's did not? I want to make sure our topped-out employees are retained and I support merit increases this year - not necessarily an across-the-board COLA increase.

**Rotwein:** The Council needs to determine how much money is available for raises before considering a COLA increase. I suggest backing out the COLA in the budget presented and re-evaluate by using merit and longevity increases. The Grant Administrator position is fluff and should be funded 100% by grants.

*No final decisions were made. Continued to the July 25 meeting.*

2. Discussion/Presentation regarding the November Election Schedule and Upcoming Deadlines.

City Clerk Adams explained that the City's November 06, 2018 Election ballot may include one item; Three (3) Councilmember seats. The seats that expire this year are currently filled by **Susan Rotwein, Jim Baker, and Dwight Miller**.

The list of deadlines related to the Election is as follows:

- **On or before July 14 - Election Notice:** A notice will be published in the 3 locations throughout the City (City Hall, Murphy's Market, and the Trinidad Post Office), and in the Mad River Union announcing the November Election and the Council positions available.
- **July 16 – Candidate Nomination Period Opens:** Anyone who wants to file as candidate for one of the (3) open positions may pick up nomination packets from the Clerk's office at the Town Hall. Fee for filing a candidate statement in the election ballot is \$375. Payment must be made when the nomination packets are submitted. ***Deadline for incumbents to file nomination papers is 2:00pm, Friday, August 10.***
- **August 10 – Deadline for Incumbents to file Nomination Packet**
- **August 15 – Deadline for Nomination Packets IF NO INCUMBENTS file for the positions.**
- **August 23 – Deadline to Appoint Council Candidates:** If only 3 or less candidates apply for 3 open positions, the Council may choose to appoint the members and cancel the election. If this ends up being the case, the Council will have to hold a Special Meeting sometime between the August 15 and August 22 and make their announcement to the public. If not, by default the election process will be held with the qualified candidates running unopposed.
- **November 06 – Election Day**

*No decision was made. Informational item only.*

#### **VIII. FUTURE AGENDA ITEMS**

- Morgan Complaint
- Update on Van Wycke Trail
- County Cannabis Permit Referrals

#### **XIII. ADJOURNMENT: 9:15 pm**

**Submitted by:**

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**Gabriel Adams**  
Trinidad City Clerk

**Approved by:**

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**Susan Rotwein**  
Mayor